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Iran deal broke U.S. ban

White House left Congress in the dark

By George de Lama and Douglas Frantz
Chicago Tribune

WASHINGTON—The Reagan administration violated its own ban on sending U.S. arms to Iran by permitting several shipments of weapons to be exchanged for the release of American hostages in Lebanon, well-placed government sources said.

The arms shipments were approved by President Reagan over the last 18 months. The shipments were directed by presidential aides after secret contacts between National Security Council staff members and Iranian officials and their intermediaries in Tehran, Europe and New York, according to the sources.

"There was definitely more than one shipment, and maybe as many as five," one government source said, speaking on condition he not be identified.

At least one of the arms shipments was routed through Israel in September, and there were unconfirmed reports that American mercenaries who helped arm Nicaraguan anti-Sandinista rebels also were involved, the sources said.

Three American hostages—Rev. Benjamin Weir, Rev. Lawrence Martin Jenco and David Jacobsen—have been released from captivity in Beirut since the shipments began last year.

But three other Americans have been kidnaped in Lebanon since Sept. 9, leading some critics to question the wisdom of the White House's strategy of trading weapons with supporters of terrorist groups to free American captives.

The U.S.-Iranian contacts were so secret that even top officials in the State and Defense Departments were given no information about the arms shipments.

Secretary of State George Shultz and Defense Secretary Caspar Weinberger both have lodged protests with the President over the policy of trading arms for hostages, the sources said.

Disclosure of the negotiations and weapons deliveries brought reactions of shock and anger on Capitol Hill.

According to well-placed congressional sources, the key committees that oversee U.S. intelligence activities were not informed. Under law, the panels must be briefed beforehand of U.S. covert operations abroad. The arms shipments could be construed as a covert operation. Several congressional committees have planned inquiries.

The disclosures also dismayed U.S. allies under pressure from the administration not to send arms to Iran.

And they have disquieted Iraq, which is locked in a more than six-year-old war with Iran, a conflict in which the U.S. has officially declared neutrality.

Details of the covert talks with Iran and other secret efforts by the administration to free the hostages still are unfolding and are sketchy. The matter was confused further by a flurry of speculation and rumors that arose despite a White House secrecy order.

It remained unclear, for example, exactly what weapons were shipped to Iran.

According to some published reports, the arms included ground-to-air missiles and spare parts for American-built radar systems and U.S.-made F-4, F-5 and F-15 jet fighters.

Even what is known suggests a scenario resembling the plot of a spy novel, with clandestine arms deliveries, shadowy middlemen and secret U.S. meetings in hostile foreign capitals with agents of international terrorists.

The contacts with Iran were overseen and carried out mainly by former National Security Adviser Robert McFarlane and Marine Lt. Col. Oliver North, a member of the NSC staff, the sources said.

U.S. and Iranian officials confirmed that McFarlane made a secret trip to Iran in September, but remained in his hotel along with four companions before being expelled when word of his visit leaked out to anti-U.S. factions in the Islamic republic.

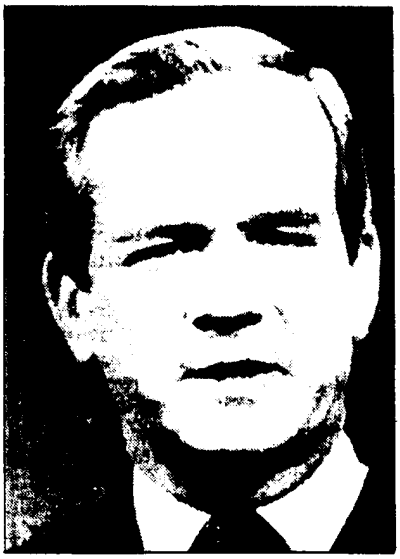
Other sources said North also made at least one secret visit to Tehran and also met with Iranian leaders in Europe before McFarlane's September trip.

McFarlane met with Iranian officials in New York and Europe as far back as the fall of 1985, when he still was Reagan's security adviser.

After McFarlane resigned, North served as the NSC's "control officer" and directly oversaw all aspects of the secret dealings with Tehran, the sources said.

"This is a National Security Council operation frontwards and backwards," said a congressional source who is monitoring the negotiations. "They didn't let anybody else [in the government] in on it."

White House officials from the President on down have steadfastly refused to comment publicly on reports of the U.S. negotiations with Iran to free the remaining Americans.



Robert McFarlane met with Iranian officials in New York and Europe as far back as the fall of 1985, while he was still National Security Adviser.

McFarlane described the reports as "fanciful" but did not deny his mission took place. Attempts to reach North for comment were unsuccessful.

Seeking access to Iranian leaders, U.S. officials reportedly sought the help of a wealthy Iranian-born arms dealer, Cyrus Hashemi.

In 1980, he had helped the CIA in its early attempts to negotiate the release of the American hostages in the U.S. Embassy in Tehran.

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Hashemi died under mysterious circumstances in London last summer. At the time of his death, he was free on bail in connection with federal arms-smuggling charges in New York.

He was working undercover with the U.S. Customs Service on a $2 billion scheme to ship weapons to Iran. A retired Israeli general and 12 other people were charged in the case, which grew out of a "sting" operation.

According to the transcript of a conversation between Hashemi and one of the defendants that was secretly recorded by federal agents, the arms deal had been approved by Vice President George Bush. In a subsequent conversation, the defendant, John de la Roque, indicated U.S. government approval of the deal had been put "on the back burner."

Bush's press secretary, Marlin Fitzwater, categorically denied Friday that the vice president or any member of his staff ever was involved in arranging weapons deals for Iran.

"It's bizarre, outrageous and absurd," Fitzwater said. "It's absolutely not true. It's crazy."

One source close to Hashemi said both the CIA and the NSC had tried to enlist Hashemi's help in freeing the Americans held in Lebanon.

It was unclear whether their efforts were successful.

Sources familiar with the McFarlane operation said the U.S.-approved plan to negotiate with Iran began after the hijacking of a TWA plane in June, 1985. During the 17 days the plane's passengers and crew were held in Beirut, it became clear their captors were pro-Iranian Shiite Moslems.

McFarlane and other administration policymakers became convinced that these kidnapers would not respond as well to pressure from Syria, an ally of Iran, as they would to influence from Iran itself.

One weapons shipment approved by the NSC and carried out by private arms dealers under the direction of Israel took place in September, 1985. A DC-8 cargo plane flying from Iran to Spain made an unscheduled landing in Tel Aviv after reporting it had developed mechanical problems, the sources said.

Rev. Weir was released from captivity in Beirut later that month.

In Paris, former Iranian President Abolhassan Bani-Sadr said McFarlane had been to Iran twice to negotiate the release of the American hostages and explore a possible lessening in U.S.-Iran tensions.

"I know that the Americans have never stopped delivering arms to Iran, especially as far as spare parts are concerned," Bani-Sadr said.

The Danish Sailors Union also has charged that weapons dealers shipped 3,600 tons of U.S.-made weapons and other military equipment to Iran on Danish ships sailing from Israeli ports.

The union said Israeli authorities changed the name of a Danish ship that carried a cargo of ammunition to Iran in late October.

The Arms Export Control Act and another law prohibit U.S. arms exports to Iran and any other country that is officially listed as supporting international terrorism.

Reagan placed Iran on the list in 1981.

Under the second law, passed last August, all shipments of U.S. arms to Iran are illegal unless the President makes a special exemption and reports his decision to Congress.

Lawmakers say there has been no such report.

Aside from the possible legal questions involved, some top administration officials have sharply questioned Reagan's policy reversal of negotiating with terrorists, something the President vowed he never would do.

That the arms shipments were sent to the fervently anti-U.S. Iranian government, which held 52 Americans hostage for 444 days after the 1979 revolution that overthrew Shah Mohammad Reza Pahlavi, prompted additional amazement.

Weinberger noted that the administration long has feared an Iranian victory in the war with Iraq could lead to the spread of Iranian-style Islamic fundamentalism throughout the Middle East, threatening moderate, pro-Western Arab governments.

"There is no interest in helping Iran win that war," Weinberger said. "It would be very destabilizing to the whole region. It would be very much against our interests for Iran to win that war."

Tribune correspondent James O'Shea in Washington and special correspondent Julian Nundy in Paris contributed to this report.

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